

IN THE INCOME TAX APPELLATE TRIBUNAL “G” BENCH, MUMBAI

**BEFORE SHRI SAKTIJIT DEY, VICE PRESIDENT AND
SHRI JAGADISH, ACCOUNTANT MEMBER**

ITA No. 4396/Mum/2025
(Assessment Year: 2014-15)

Saroj Bhonsle Naik 1303, Purna Building 1, Worli Sagar 50, Pochkhanwala Road, Worli, Mumbai-400 030	Vs.	ITO, Ward-22(3)(6) Piramal Chamber, Mumbai – 400 012
PAN/GIR No. ABIPB 9956 B		
(Appellant)	:	(Respondent)

Appellant by	:	Shri Yash Bhadola
Respondent by	:	Shri Sawpnil Choudhari – Sr. DR

Date of Hearing	:	20.01.2026
Date of Pronouncement	:	23.01.2026

ORDER

Per Saktijit Dey, Vice President:

This is an appeal by the assessee against order dated 21.03.2025, passed by National Faceless Appeal Centre (‘NFAC’ for short), Delhi for the assessment year (A.Y. for short) 2014-15. The basic grievance of the assessee is against *ex parte* disposal of her appeal by the first appellate authority without providing reasonable opportunity of being heard.

2. We have considered rival submissions and perused the materials available on record. The assessee is a resident individual. As per the allegation of the Assessing Officer (A.O. for short), for the assessment year under dispute, the assessee did not file any return of income u/s. 139(1) of the Act. However, information available in the system of the department revealed that in the financial year relevant to the assessment year under dispute, the assessee had undertaken substantial financial transactions. Based on such information,

the A.O. reopened the assessment u/s. 147 of the Act. As alleged by the A.O., the assessee did not comply with the statutory notices issued u/s. 148 and 142(1) of the Act. Since, the assessee remained non-responsive, the A.O. proceeded to complete the assessment *ex parte* to the best of his judgement, invoking the provision of section 144 of the Act. While doing so, he made the following additions:

- a) Unexplained investment in immovable property of Rs.1,25,16,500/-
- b) Investment made out of undisclosed sources of Rs.4,83,41,565/-
- c) Investments made in time deposits out of undisclosed income of Rs.5,65,00,000/-
- d) Undisclosed rental income of Rs.10,44,610/-
- e) Undisclosed income from sale of motor vehicles Rs.18,90,919/-
- f) Cash deposits in bank account of Rs.79,15,000/-

3. The aforesaid additions resulted in determination of total income at Rs.12,82,13,854/-.

4. The additions made by the A.O. were contested by the assessee by filing an appeal before the first appellate authority. However, due to non-compliance before the first appellate authority, the appeal was disposed of *ex parte* sustaining the additions.

5. Before us, ld. Counsel appearing for the assessee has pleaded that the assessee is an old lady and not familiar with the online procedure. Thus, he submitted, due to lack of proper support, the assessee could not make necessary compliance before the A.O. and first appellate authority. He submitted, given an opportunity, the assessee will explain the facts and source of the investment/deposits before the A.O. with supporting evidence. Thus, he prayed, for restoration of the issues to the A.O.

6. The ld. Departmental Representative (ld. DR) relied upon the observations of the departmental authorities.

7. Having examined the factual matrix, we find that the assessee went unrepresented both before the A.O. and first appellate authority. Thus, the additions made by the A.O. and sustained by the first appellate authority were purely due to lack of supporting evidences. As can be seen from the facts on record, substantial additions have been made on account of investments made in immovable properties and bank deposits. Thus, the assessee is required to explain the source of such investments through documentary evidences. Due to non-appearance before the departmental authorities, the source could not be explained. Considering the fact that the additions made are quite substantial and reason for such additions being lack of evidence and keeping in view the hardship that the assessee might be undergoing due to such huge addition and the consequential demand, we are inclined to grant an opportunity to the assessee to explain the source of investment in immovable properties/bank investments. The assessee also deserves an opportunity to explain the factual position relating to the other additions made by the A.O., including the cash deposits in the bank account. For enabling the assessee to do so, we set aside the impugned order of learned first appellate authority and restore all the issues to the A.O. for *de novo* adjudication, after providing due and reasonable opportunity of being heard to the assessee. The assessee is directed to respond to the queries made by A.O. and co-operate in finalizing the proceedings.

8. In the result, the appeal is allowed for statistical purpose.

Order pronounced in the open court on 23.01.2026

Sd/-

Sd/-

(Jagadish)

(Saktijit Dey)

Accountant Member

Vice President

Mumbai; Dated : 23.01.2026

Roshani, Sr. PS

Copy of the Order forwarded to :

1. The Appellant
2. The Respondent
3. The CIT(A)
4. CIT - concerned
5. DR, ITAT, Mumbai
6. Guard File

BY ORDER,

(Dy./Asstt. Registrar)
ITAT, Mumbai